

TOWN OF COLFAX
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 1991
With Comparative Totals for June 30, 1990

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the State House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 12/24/01

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October 5, 2004

Independent Auditor's Report

The Honorable Christine Youngblood, Mayor
and the Board of Aldermen
Town of Colfax, Louisiana

We have audited the accompanying general purpose financial statements of the Town of Colfax, Louisiana as of and for the year ended June 30, 2004, as listed in the table of contents. These general purpose financial statements are the responsibility of the Town of Colfax, Louisiana's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Colfax, Louisiana, as of June 30, 2004, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

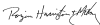
In accordance with *Government Auditing Standards*, we have also issued our report dated October 5, 2004, on our consideration of the Town of Colfax, Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Members:
American Institute of Certified Public Accountants • Society of Government CPAs

The Honorable Constance Youngblood, Mayor
and the Board of Aldermen

October 5, 2011

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Town of Collins, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and in our opinion, is fairly presented in all material respects, in relation to the general purpose financial statements taken as a whole.



ROGER HARRINGTON & MEANT
Certified Public Accountants

TOWN OF COLLIER, LOUISIANA
COMPREHENSIVE STATEMENT OF REVENUES, EXPENSES, FUND AND
CHANGES IN FUND BALANCES
OFF COMPREHENSIVE FUND TYPES
For the year ended June 30, 2020
With Comparative Totals for the Prior Fiscal Year 2019, 2018

	General	Capital	Special	Governmental Funds	
				2020	2019
(All Funds)					
Revenues					
Intergovernmental	\$ 15,983	\$ -	\$ -	\$ 15,983	\$ 15,983
Interest	-	-	151,783	151,783	151,783
Expenses and transfers					
Compensation & benefits	43,400	-	-	43,400	43,400
Materials	45,962	-	-	45,962	45,962
Other goods	470	-	-	470	470
Program Expenditures					
Debt	59,132	-	-	59,132	59,132
Interest-related	1,400	-	-	1,400	1,400
Other	3,400	-	-	3,400	3,400
Administrative costs					
Telephone	3,400	-	-	3,400	3,400
Other fee	3,400	-	-	3,400	3,400
Programs for the elderly	-	-	-	-	-
Other	14,800	-	-	14,800	14,800
Other revenues	-	200,000	-	200,000	200,000
Administrations					
Other	3,400	-	-	3,400	3,400
Interest	1,400	500	500	3,400	3,400
Debt	1,400	-	-	1,400	1,400
Other	1,400	-	-	1,400	1,400
Transfers					
	1,700	100,000	10,000	112,700	112,700
Expenses					
Administrations	112,700	-	10,000	122,700	122,700
Materials	45,962	-	-	45,962	45,962
Debt	59,132	-	-	59,132	59,132
Debt	1,400	-	-	1,400	1,400
Debt	1,400	-	-	1,400	1,400
Capital costs	1,400	100,000	-	101,400	101,400
Total expenditures	2,100	100,000	10,000	112,700	112,700
Excess (deficiency) of revenues over expenditures	112,700	100,000	10,000	222,700	222,700
Other financing sources (uses)					
Loans	1,000,000	-	-	1,000,000	-
Operating transfers in	100,000	500	-	100,500	100,500
Operating transfers out	100,000	-	100,000	200,000	200,000
Total other financing sources (uses)	1,000,000	500	100,000	1,100,500	300,500
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	1,112,700	100,500	110,000	1,323,200	523,200
Fund balance - beginning of year	10,000	10,000	10,000	30,000	30,000
Fund balance - end of year	\$ 1,122,700	\$ 210,500	\$ 120,000	\$ 1,453,200	\$ 853,200

The accompanying notes are an integral part of the financial statements.

TOWNS OF COLEBROOK, LOUISIANA
COMPARISON STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET FUND BALANCE AND ACTUAL
General and Special Revenue Funds
For the year ending June 30, 2011

	General Fund		Special Revenue Funds		Total Revenue		Revenue Provide Availability
	Budget	Actual	Budget	Actual	Budget	Actual	
Revenues							
Taxes	\$ 80,000	\$ 80,000	\$ 0	\$ 0	\$ 80,000	\$ 80,000	\$ 80,000
License and permits	82,000	82,000	0	0	0	0	0
Charges for services	87,000	87,000	0	0	0	0	0
Investment	11,000	11,000	0	0	0	0	0
Intergovernmental	11,100	11,100	0	0	0	0	0
Subtotal	<u>181,100</u>	<u>181,100</u>	<u>0</u>	<u>0</u>	<u>181,100</u>	<u>181,100</u>	<u>181,100</u>
Expenditures							
Salaries	80,000	80,000	0	0	80,000	80,000	80,000
General and administrative	82,000	82,000	0	0	0	0	0
Public safety	87,000	87,000	0	0	0	0	0
Police and fire	87,000	87,000	0	0	0	0	0
Utilities	11,000	11,000	0	0	0	0	0
Intergovernmental	11,100	11,100	0	0	0	0	0
Subtotal	<u>181,100</u>	<u>181,100</u>	<u>0</u>	<u>0</u>	<u>181,100</u>	<u>181,100</u>	<u>181,100</u>
Change in fund balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total revenues	<u>181,100</u>	<u>181,100</u>	<u>0</u>	<u>0</u>	<u>181,100</u>	<u>181,100</u>	<u>181,100</u>
Total expenditures	<u>181,100</u>	<u>181,100</u>	<u>0</u>	<u>0</u>	<u>181,100</u>	<u>181,100</u>	<u>181,100</u>
Change in fund balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total revenues and expenditures	<u>181,100</u>	<u>181,100</u>	<u>0</u>	<u>0</u>	<u>181,100</u>	<u>181,100</u>	<u>181,100</u>
Other fund balance changes (add)							
Less: previous	1,000,000	1,000,000	0	0	0	0	0
Operating revenues in	80,000	80,000	0	0	0	0	0
Operating revenues in	87,000	87,000	0	0	0	0	0
Subtotal	<u>1,067,000</u>	<u>1,067,000</u>	<u>0</u>	<u>0</u>	<u>1,067,000</u>	<u>1,067,000</u>	<u>1,067,000</u>
Total other fund balance changes (add)	<u>1,067,000</u>	<u>1,067,000</u>	<u>0</u>	<u>0</u>	<u>1,067,000</u>	<u>1,067,000</u>	<u>1,067,000</u>
Change in fund balance of revenues and other fund balance changes (add)	<u>1,067,000</u>	<u>1,067,000</u>	<u>0</u>	<u>0</u>	<u>1,067,000</u>	<u>1,067,000</u>	<u>1,067,000</u>
Fund balance - beginning of year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance - end of year	<u>1,067,000</u>	<u>1,067,000</u>	<u>0</u>	<u>0</u>	<u>1,067,000</u>	<u>1,067,000</u>	<u>1,067,000</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF COLFAX, LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND BALANCES
Regulatory Fund
For the year ended June 30, 2001
With Comparative Totals for the Year Ended June 30, 2000

	<u>Regulatory Funds</u>	
	<u>2001</u>	<u>2000</u>
Operating revenues:		
Gas sales	\$ 186,140	\$ 186,140
Water sales	210,624	210,624
Street charges	76,204	76,117
Development charges	26,770	26,310
Miscellaneous	1,884	8,110
Total operating revenues	<u>\$702,622</u>	<u>\$707,321</u>
Operating expenses:		
Plant/gas purchase	\$80,000	\$80,000
Electric and water	265,000	265,000
Materials, supplies, and maintenance	70,156	80,000
Office supplies	8,800	1,000
Payroll taxes	20,500	20,000
Utilities and travel	10,000	10,000
Insurance	40,000	40,000
Professional fees	25,000	25,000
Street repairs	10,000	1,000
Miscellaneous	10,000	5,000
Lease	6,500	6,000
Utilities and telephone	40,000	50,000
Depreciation	130,000	130,000
Residuals	1,000	1,000
Utilities and employment record	1,000	1,000
Total operating expenses	<u>\$1,012,900</u>	<u>\$952,000</u>
Operating income (loss)	<u>\$ (310,278)</u>	<u>\$ (244,679)</u>
Non operating revenues/expenses:		
Interest income	5,000	4,000
Total non operating revenues/expenses	<u>\$ 5,000</u>	<u>\$ 4,000</u>
Income (loss) before operating transfers	<u>\$ (305,278)</u>	<u>\$ (240,679)</u>
Operating transfers in/out:		
Transfer in	66,100	100,000
Transfer out	(25,000)	(20,000)
Total operating transfers in/out	<u>\$ 41,100</u>	<u>\$ 80,000</u>
Net income (loss)	<u>\$ (264,178)</u>	<u>\$ (160,679)</u>
Residual earnings (deficit) - beginning of year	<u>\$ (250,000)</u>	<u>\$ (250,000)</u>
Residual earnings (deficit) - end of year	<u>\$ (514,378)</u>	<u>\$ (410,679)</u>

The accompanying notes are an integral part of the financial statements.

TOWN OF COLIAX, ILLINOIS
STATEMENT OF CASH FLOW
Population Fund
For the year ended June 30, 2001
*Not audited by the City Auditor June 29, 2002

	<u>Enterprise Fund</u>	
	<u>2001</u>	<u>2000</u>
(Cash flow from operating activities:		
Operating income (loss)	\$ (52,136)	\$ (56,404)
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	13,430	14,450
Decrease/increase in accounts receivable	17,000	15,400
Decrease/increase in other assets	-	-
Decrease/increase in prepaid supplies	(2,000)	1,400
Decrease/increase in prepaid expenses	1,000	15,400
Decrease/increase in payable for gas provided	(14,000)	(13,400)
Decrease/increase in other liabilities	400	3,400
Decrease/increase in long-term debt	1,000	3,000
Net cash provided (used) by operating activities	<u>16,904</u>	<u>16,100</u>
Cash flow from non-capital financing activities:		
(Interest) income in other cash	1,000	(1,000)
Transfers/income, net	5,000	10,700
Net cash provided (used) by non-capital financing activities	<u>16,904</u>	<u>9,700</u>
Cash flow from capital and related financing activities:		
Repairs and acquisition of capital assets	(24,000)	(20,000)
Net cash provided (used) by capital and related financing activities	<u>(24,000)</u>	<u>(20,000)</u>
Cash flow from investing activities:		
Interest income earned	1,000	4,000
Net cash provided (used) by investing activities	<u>1,000</u>	<u>4,000</u>
Net increase (decrease) in cash	<u>(5,096)</u>	<u>10,800</u>
Beginning cash balance	106,400	106,400
Ending cash balance	<u>\$ 101,304</u>	<u>\$ 117,200</u>
Cash - restricted	<u>\$ 41,000</u>	<u>\$ 38,000</u>
Cash - restricted	<u>\$ 17,400</u>	<u>\$ 16,000</u>

Supplemental disclosure of cash flow information:

For the year ended June 30, 2001 and 2000 there were no financing, capital, and investing activities that did not result in cash receipts or payments.

The accompanying notes are an integral part of the financial statements.

TOWN OF COLFAX, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Basis of Presentation

The Town of Colfax, Louisiana (the Town) was incorporated under the provisions of the Louisiana Act and operates under a Mayor-Board of Aldermen form of government. The Town provides various services including public safety (police and fire), streets and drainage, sanitation, recreation, public improvements, utility (gas, water, and sewerage), and general administrative services.

The accompanying policies of the Town of Colfax, Louisiana, conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies.

Financial Reporting Entity

As the municipal governing authority, for reporting purposes the Town is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (the Town), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 establishes criteria for determining which component units should be considered part of the Town of Colfax for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - The ability of the Town to impose its will on that organization, and/or
 - The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Town.
2. Organizations for which the Town does not appoint a voting majority but are financially dependent on the Town.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based upon the above criteria, the Town of Colfax has no component units for the year ended June 30, 2021.

TOWN OF COLFAX, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2001

Fund Accounting

The accounts of the Town are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund balance, revenues, and expenditures. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the Town:

GOVERNMENTAL FUNDS

General Fund - The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources restricted to expenditures for specified purposes.

Capital Project Funds - Capital Project Funds account for the receipt and disbursement of resources for the purpose of building or buying major capital assets.

PROPRIETARY FUND

Enterprise Fund - The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The enterprise fund of the Town of Colfax operates a combined water, sewer and natural gas system viewed for reporting purposes as a single entity. Operating results by division are not determinable.

FINANCIAL FUNDS

Agency Funds - The Agency Fund is used to account for assets held by the Deferred Compensation Plan which are for employees who defer a portion of their compensation under the provisions of the Internal Revenue Code Section 457.

ACCOUNT GROUPS

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the Town, other than those assets accounted for in the proprietary fund. Capital outlays in funds other than the proprietary fund are recorded as expenditures of those funds at the time of purchase and are subsequently recorded for control purposes in the General Fixed Assets Account Group.

TOWN OF COLFAX, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2001

General Long-Term Debt Account Group - This group of accounts is used to account for long-term debt of the Town other than debt accounted for in the proprietary fund.

Basis of Accounting:

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting refers to the timing of the measurements made, regardless of the measurement bases applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fixed liability is incurred. An exception to this general rule is principal and interest on long-term debt, which is recognized when due.

In both governmental and proprietary funds, inventories of supplies are considered immaterial and are not recorded.

The proprietary (enterprise) fund is accounted for using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. Utility revenues are billed on a cycle basis and are recognized in the month billed. Unbilled service attributable resulting from utility services rendered between cycle billing and the end of the month have been recognized in the accompanying financial statements.

The basis of accounting followed by proprietary funds is similar to accounting practices utilized by business enterprises. Due to these similarities, proprietary funds are allowed to follow certain pronouncements that are developed by the Financial Accounting Standards Board (FASB) for business enterprises. However, the Town only applies those FASB pronouncements that were issued on or before November 30, 1989.

General Fixed Assets

Fixed assets acquired for general governmental purposes are recorded at cost in the general fixed assets group of accounts and they are recorded as expenditures in the governmental fund type when purchased. The Town has elected not to capitalize public domain ("infrastructure") fixed assets. No depreciation is provided on general fixed assets. Fixed assets are valued at historical cost, including interest incurred during construction when they were donated in which case they are valued at fair market value at the date of donation. At June 30, 2001, there were no material amounts of donated assets.

TOWN OF COLFAX, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2001

Property and Equipment - Proprietary Fund

Property and equipment are recorded at cost including any interest incurred during construction in the proprietary (utility) fund. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as shown below:

Buildings and Improvements	20-35 years
Distribution and Collection Systems	20-40 years
Other Equipment	3-10 years

Budget Practices

The following procedures are used by the Town in establishing its budget data reflected in the financial statements:

1. The Mayor submits the proposed operating budget for the General and Special Revenue Funds for the upcoming fiscal year at least 60 days prior to the beginning of that year. These budgets include proposed expenditures and the means of financing them.
2. Budgets for the Debt Service and Utility Funds are not prepared because such budgets are not required by state law or generally accepted accounting principles.
3. A public hearing is conducted at the Town Hall prior to commencement of the new year, and the budget is legally enacted through passage of an ordinance.
4. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles.

The budgeted amounts are as originally adopted or as amended by the Town Council on June 30, 2001.

Compensated Absence

Accumulated unpaid vacation and compensatory pay have been accrued when incurred in the Proprietary Funds (using the accrual basis of accounting). These amounts relating to the Governmental Funds have been presented in the general long-term debt group of accounts. At June 30, 2001, compensated absences for all funds and account groups combined totaled \$13,582.

Total Column on Combined Statements

Total columns on the combined statements are captioned "Miscellaneous" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a reconciliation. Intert fund eliminations have not been made in the aggregation of this data.

TOWN OF COLFAX, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

Statement of Cash Flows

The Town has adopted Government Auditing Standards Board Statement No. 5, "Reporting Cash Flows of Proprietary and Non-Dependable Trust Funds and Governmental Entities that Use Proprietary Fund Accounting." This statement requires entities to report a statement of cash flows as part of a full set of financial statements instead of reporting a statement of changes in financial position. For the purposes of reporting cash flows, cash and cash equivalents includes all cash on hand, cash in bank, and certificates of deposit.

Encumbrance Accounting

Purchase orders, contracts, and other commitments to engage in future expenditures are referred to as encumbrances. Since encumbrances do not represent liabilities or current expenditures, encumbrances are not reported in the accompanying financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Cash and Cash Equivalents and Investments

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits. Under state law, the Town may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Town may invest in U.S. bonds, treasury notes or certificates. These are classified as investments if their original maturities exceed 90 days; however, if original maturities are 90 days or less, they are classified as cash equivalents. The Town had no investments at June 30, 2021.

TOWN OF COLFAX, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2001

NOTE 1 - CASH AND CASH EQUIVALENTS

At June 30, 2001, cash and cash equivalents totaled \$248,816 (book balance) and \$300,817 (bank balance). The book balance included \$87,838 that is classified as restricted, and the remaining \$160,978 is considered unrestricted. The composition of these accounts is as follows:

	<u>Book Balance</u>	<u>Bank Balance</u>
Interest-bearing checking and certificates of deposit	\$ 180,376	\$ 300,817
Payroll cash	450	—
Total cash and cash equivalents	180,826	\$ 300,817
Restricted cash - customer utility deposits	87,838	86,661
Cash and cash equivalents	\$ 268,664	\$ 387,478

Under state law, these deposits must be secured by federal deposit insurance or by the pledge of securities held by the bank. The securities pledged are held in the name of the pledging bank in a custodial bank that is mutually acceptable to both parties. At June 30, 2001, all deposits with financial institutions were fully covered by federal deposit insurance of \$100,000 and pledged securities with a market value of \$300,200.

Even though the pledged securities are considered uncollateralized (Category 3), State law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified by the Town that the pledging bank has failed to pay deposited funds on demand.

NOTE 2 - RECEIVABLES

Receivables at June 30, 2001 consisted of the following:

	<u>Enterprise Fund</u>
Charges for services	\$ 77,939
Other charges	834
Total receivables	78,773
Less: allowance for uncollectibles	(13,111)
Receivables, net of allowance	\$ 65,662

TOWN OF COLFAX, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2004

NOTE 4 - INTERFUND RECEIVABLES / PAYABLES

During the course of normal operations, the Town has numerous transactions between funds including expenditures and transfers of resources primarily to provide services. Individual fund interfund receivable and payable balances at June 30, 2004, arising from these transactions were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Utility Fund	\$ 8,425

NOTE 5 - DUE FROM OTHER GOVERNMENTS

Amounts due from other governmental units at June 30, 2004 consisted of the following:

	General Fund	Special Revenue	Memorandum Total
State of Louisiana			
Beer taxes	\$ 964	\$ —	\$ 964
Motor vehicle sales	3,186	—	3,186
Grant Funds			
Sales taxes	—	18,019	18,019
Total	\$ 4,150	\$ 18,019	\$ 22,169

NOTE 6 - FIXED ASSETS

A summary of activity in the general fixed assets account group for the year ended June 30, 2004 follows:

	Balance June 30, 2003	Additions	Disposals	Balance June 30, 2004
Land	\$ 76,136	\$ —	\$ —	\$ 76,136
Buildings	187,087	2,340,000	2,340,000	187,087
Equipment	57,489	1,700	5,340	53,849
Improvements	800,365	—	—	800,365
Total	\$ 1,181,047	\$ 2,341,700	\$ 2,345,340	\$ 1,597,447

TOWN OF COLFAX, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2001

A summary of Proprietary Fund property, plant, and equipment at June 30, 2001 follows:

	Balance June 30, 2000	Additions	Disposals	Balance June 30, 2001
Land	\$ 6,232	\$ —	\$ —	\$ 6,232
Buildings	5,380	—	—	5,380
Equipment	167,349	20,382	—	188,522
Vehicles	71,513	—	—	71,513
Distribution system	3,884,462	57,666	—	3,942,128
Subtotal	4,314,623	78,048	—	4,392,671
Less: Accumulated Depreciation	(2,157,267)	(118,832)	—	(2,276,099)
Total	\$ 2,157,356	\$ (39,784)	\$ —	\$ 2,117,571

Depreciation expense totaled \$118,832 in 2001 and \$116,071 in 2000.

NOTE 7 - ACCOUNTS PAYABLE AND ACCRUED EXPENSES

The following is a summary of accounts payable and accrued expenses at June 30, 2001:

	General Fund	Proprietary Fund	Total
Accounts payable	\$ 10,628	\$ 53,888	\$ 64,513
Accrued expenses:			
Salaries payable	\$ 631	\$ 828	1,459
Other payables	2,678	4,128	6,804
Total	\$ 13,937	\$ 58,844	\$ 72,781

NOTE 8 - GAS PURCHASES PAYABLE

During 1993, the Town agreed to a settlement for gas volumes delivered to the Town of Colfax, which had not been invoiced or paid. The terms of the settlement require Colfax to pay the gas company \$162,000 in the following manner: \$30,000 paid upon signing the agreement in 1993, and the remaining \$132,000 would be paid in monthly installments of \$1,100 for ten (10) years. At June 30, 2001, the balance in gas purchases payable is \$11,000.

TOWN OF COLFAX, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2001

NOTE 9 - DEFERRED COMPENSATION PLAN

Employees may contribute to a deferred compensation plan adopted under the provisions of Internal Revenue Code (IRC) Section 457. Amounts contributed to the deferred compensation plan and investment income attributable to those contributions are subject to income tax upon withdrawal from the plan. Furthermore, the deferred compensation is not available for withdrawal until termination, death, retirement or unforeseeable emergency.

NOTE 10 - GENERAL LONG-TERM DEBT

The following changes occurred in liabilities reported in the General Long-Term Debt Account Group during the year ended June 30, 2001:

	Balance June 30, 2000	Issued	Payments	Balance June 30, 2001
Compensated absences	\$ 1,874	\$ 225	\$ ---	\$ 2,099
Economic development award	---	2,180,000	100,000	2,180,000
Total	\$ 1,874	\$ 2,180,225	\$ 100,000	\$ 2,182,099

NOTE 11 - CONTRIBUTED CAPITAL

Contributed capital within the utility fund represents moneys granted from various governmental organizations to the Town in the past for construction of and improvements to utility distribution systems. The Town received \$25,000 in Rural Development Grant funding for upgrades and improvements to its sewer collection system in the current year. There were no other increases or decreases in contributed capital during the year ended June 30, 2001.

NOTE 12 - AD VALOREM TAXES

Ad valorem taxes are assessed on a calendar year basis and are due on or before December 31 in the year the tax is levied. Property taxes are recognized in compliance with NACOA Interpretation 3 - (Revenue Recognition - Property Taxes) which states that such revenue is recorded when it becomes measurable and available. Available means due or past due and collected no longer than 60 days after the close of the current period.

For the year ended June 30, 2001 the Town levied 0.02 mills of ad valorem taxes totaling \$58,002 which were dedicated to the general corporate purposes of the Town.

TOWN OF COLFAX, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2001

NOTE 13 – COMPENSATION OF ELECTED OFFICIALS

Per diem payments to the Board of Aldermen for the year ended June 30, 2001 were as follows:

	<u>Position</u>	<u>Amount</u>
Sebastian Brown	Alderman	\$ 2,700
Alan Nuttall	Alderman	3,600
David Clark	Alderman	3,600
Levarin Lacour	Alderman	3,600
Emily Valdes	Alderman	900
Gaye "Sonny" Tyler	Alderman	3,600
		<u>\$ 18,000</u>

Compensation paid to the Mayor for the year ended June 30, 2001 totaled \$2,200.

NOTE 14 - CAPITAL PROJECTS

Capital project activity for the year ended June 30, 2001, is summarized as follows:

Absorb-Apollite Flood Control Project - As local sponsor for this project, the Town has provided a portion of the necessary funding. In addition, the Town has collected contributions from various units of local and state government that have elected to participate in the project. Furthermore, a commitment of Federal funds has been received that will allow completion of the flood control project. During the current fiscal year, the Town received \$260,200 in funding from the State of Louisiana and expended \$189,878 on capital improvements related to this project.

NOTE 15 - RISK MANAGEMENT

The Town of Colfax is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks of loss are covered by a comprehensive commercial insurance policy and participation in a public entity risk pool that operates as a common insurance program. Claims resulting from these risks have historically not exceeded insurance coverage.

NOTE 16 – ECONOMIC DEVELOPMENT ACTIVITY

On October 30, 2000, the Town entered a cash sale with Dino Appard of California, Inc. (DINO). The sale transferred land and a building to the Town for a sum of \$2,300,000. Proceeds were

TOWN OF COLFAX, LOUISIANA **NOTES TO FINANCIAL STATEMENTS**

June 30, 2001

provided to the Town by a loan from the State of Louisiana Department of Economic Development. The loan is non-interest bearing, and the loan agreement requires the Town to repay the loan in twenty-three annual payments of \$180,000 beginning November 1, 2000. The first installment on this loan was paid by the Town on November 1, 2000.

On October 30, 2000, the Town executed a lease/purchase agreement with Dito in which Dito will re-acquire the land and building sold to the Town. Terms of the lease/purchase agreement require Dito to pay an annual payment of \$180,000 per year for twenty-three years beginning November 1, 2000 and continuing through October 31, 2023. The first payment was received by the Town on November 1, 2000.

NOTE 17 - BUDGET VARIANCES

During the year ended June 30, 2001, the Town amended its general fund and special revenue fund budgets in accordance with state law; however, actual expenditures plus projected expenditures in the Special Revenue Fund exceeded budgeted expenditures by more than the variance allowed by state law. The amount of overexpenditure is summarized below:

	<u>Amended Budget</u>	<u>Total Expenditures</u>	<u>Unfavorable Variance</u>
<u>Special Revenue Fund:</u>			
<u>Expenditures and other uses</u>	\$ 218,808	\$ 233,872	\$ 23,872

NOTE 18 - RETAINED EARNINGS RESTRICTIONS

The Town has deposited money into accounts that are designated for refunding customer deposits. Restricted assets and liabilities payable from those assets are summarized as follows:

	<u>Money Deposits</u>
<u>Restricted assets</u>	\$ 87,838
<u>Liabilities payable from restricted assets</u>	(84,364)
<u>Restricted retained earnings</u>	\$ 3,377

OTHER REPORTS

ROZIER, HARRINGTON & McKAY

CERTIFIED PUBLIC ACCOUNTANTS

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October 5, 2001

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS

The Honorable Constance Youngblood, Mayor
and the Board of Aldermen
Town of Colfax, Louisiana

We have audited the financial statements of the Town of Colfax, Louisiana as of and for the year ended June 30, 2001, and have issued our report thereon dated October 5, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Town of Colfax, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards*. This finding has been reported in the Schedule of Findings and Questioned Costs as Finding No. 2001-04.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Colfax, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited, may occur and not be detected within a timely period by employees in the normal course of

The Honorable Constance Youngblood, Mayor
and the Board of Aldermen
October 3, 2006

performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.


ROGER HARRINGTON-McKAY
Certified Public Accountant

TOWN OF COLFAX, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2001

Part I - Summary of Auditor's Results:

- The Independent Auditor's Report on the general purpose financial statements for the Town of Colfax, Louisiana as of June 30, 2001 and for the year then ended expressed an unqualified opinion.
- There were no reportable conditions noted in the audit.
- The results of the audit disclosed one instance of noncompliance that is considered to be material to the financial statements of the Town of Colfax, Louisiana.
- The Town was not required to have a Single Audit, therefore, none of the reporting required by OMB Circular A-133 was required.

Part II - Findings Relating to the Financial Statements Which are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards:

- **Finding No. 2001-01 - Budget Variances:**

The Town adopted an amended budget for its general fund and special revenue fund in accordance with state law; however, actual expenditures in the special revenue fund exceeded budgeted expenditures by more than the variance allowed by state law.

Part III - Findings and Questioned Costs for Federal Awards Which Shall Include Audit Findings as Defined by OMB Circular A-133:

- N/A.

TOWN OF COLFAX, LOUISIANA
MANAGEMENT'S CORRECTIVE ACTION PLAN
June 30, 2001

<u>SECTION I</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
<u>Finding No. 1999-01 Budget Variances</u> The Town adopted an amended budget for its general fund and special revenue fund in accordance with state law; however, actual expenditures exceeded budgeted expenditures by more than the variance allowed by state law.	<u>Response:</u> Management will monitor the budget more closely in the future and consider additional amendments as necessary to avoid budget variances.
<u>SECTION II</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
No findings were reported in the schedule of findings and questions rest.	Response – N/A
<u>SECTION III</u> MANAGEMENT LETTER	
No findings were reported in the schedule of findings and questions rest.	Response – N/A

TOWN OF COLFAX, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
June 30, 2001

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
<u>Finding No. 1028-01 Budget Variances:</u> The Town adopted an amended budget for its general fund and special revenue fund in accordance with state law; however, actual expenditures exceeded budgeted expenditures by more than the variance allowed by state law.	<u>Explanation:</u> The Town continues to experience budget variances that exceed the limits allowed by state law.
SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
No findings were reported as a result of the previous audit.	Response - N/A
SECTION III MANAGEMENT LETTER	
No findings were reported as a result of the previous audit.	Response - N/A